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A Friend in the Senate

Senator Steve Southerland of Hamblen County is serving his 5th year in the State Senate and has a proven record of helping licensees serve their communities effectively and honorably. Having been a licensed real estate agent and a certified residential appraiser before moving to the finance industry, Steve has sponsored and supported important legislation to address some of the challenges that we face every day.



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Governor Bredesen Appoints David Flitcroft to TREC

David L. Flitcroft was born in southwest Oregon. Graduating from the University of Oregon in Eugene with a degree in Secondary Education, he had intended to become a history teacher but when national priorities changed he found himself in the armed forces. He served in the U.S. Navy for four years with two tours of duty in Vietnam.



He applied to law schools in the Southeast.

He selected the University of Tennessee, primarily because he was eager to start law school (UT had a summer program), but also because he had fallen in love with the Great Smoky Mountains National Park.

After his Naval career, Flitcroft decided he would further his education and

in law school, he had a distinct interest in Real Property. He was the recipient of the American Jurisprudence Award

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HELTON HONORED for TREC Service



Chairman Haynes presents plaque for TREC service to Robbie Helton. Pictured from left to right: Commissioner Isaac Northern, Vice Chair Bear Stephenson, Chair Charles Haynes, Robbie Helton, Commissioner Grover Collins, Commissioner Wendell Alexander and Commissioner Gary Cunningham.

Robbie Helton, appointed by Governor Bredesen to serve as a consumer member of the Tennessee Real Estate Commission in 2005, was presented a plaque for his outstanding service to the State of Tennessee. Helton, who lives in Lenoir City, is a Representative of the Tennessee Carpenters

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Governor Phil Bredesen's multi-pronged effort, Cover Tennessee, extends health insurance to uninsured individuals in Tennessee through three insurance programs and a pharmacy assistance program, with **CoverTN** as the centerpiece of the initiative. CoverTN is an affordable and portable health insurance initiative for working Tennesseans who are uninsured. Comprehensive coverage for children is provided through **CoverKids**, and chronically ill adults are eligible for **AccessTN**, a high-risk pool. **CoverRx** is a statewide pharmacy assistance program designed to assist those who have no pharmacy coverage, but have a critical need for medication.

Cover Tennessee is not an entitlement program; it is voluntary health insurance coverage that is affordable to participants and affordable to the state.

More information on all Cover Tennessee programs is available at www.CoverTN.gov or by calling 1-866-COVERTN.

OVERVIEW OF PROGRAMS

CoverTN

CoverTN creates a partnership between the state, small businesses and self-employed individuals to provide coverage for the most needed medical services. It's not a mandated program or an entitlement program; it is a voluntary initiative for uninsured Tennesseans to obtain private insurance. The individual owns the plan, not the state or the company. To promote personal responsibility, premiums are based on weight, tobacco use and age - with an average monthly premium of \$50 for each payer.

CoverTN is affordable. CoverTN features no deductibles and pricing is simple and straight-forward: \$20 copayment for a doctor's office visit and \$10 for most prescription drugs. There is also coverage for hospitalization and other medical needs. To promote personal responsibility, premiums vary based on weight, tobacco use and age and average \$150 per month, which is shared between the

state, the employer and employee so the monthly premium is \$50 for each payer.

www.covertn.gov • 1-866-COVERTN

Enrollment is a two-step process. Once a business is confirmed as eligible, BlueCross BlueShield of Tennessee, the program's insurer, sends out enrollment materials, and individuals have 90 days to make a decision.

CoverKids

CoverKids offers comprehensive health insurance coverage to uninsured children 18 years-old and younger and maternity coverage for pregnant women with household income below 250 percent of the federal poverty level. Families above the income limit who wish to purchase coverage for their child can "buy in" to the program by paying monthly premiums. The coverage is similar to the benefits offered to dependents of state employees. BlueCross BlueShield of Tennessee administers the program.

AccessTN

AccessTN provides comprehensive health insurance options to uninsurable Tennesseans. AccessTN, a high-risk pool, was created for persons with one of 55 specified medical conditions, or those who are unable to get insurance in the commercial market because of their health status. BlueCross BlueShield of Tennessee administers the program.

CoverRx

CoverRx is a statewide pharmacy assistance program designed to assist those who have no pharmacy coverage, but have a critical need for medication. CoverRx is not health insurance. It provides up to five prescriptions per month. (Insulin and diabetic supplies will not count against the monthly limit.) Express Scripts administers the program.

www.covertn.gov • 1-866-COVERTN

— DISCIPLINARY ACTIONS —

FEBRUARY 2007

DONNA GODFREY**Lic. No. BR285646****Englewood, TN**

Ms. Godfrey was assessed a civil penalty of \$1,000.00 for failure to disclose information.

SHIRLEY D. PAPP**Lic. No. PB254549****Memphis, TN**

Ms. Papp was assessed a civil penalty of \$250.00 for an advertising violation.

MARCH 2007

BLALOCK SERVICES**Lic. No. FM256194****Murfreesboro**

Blalock Services was assessed a civil penalty of \$500.00 for failure to maintain an escrow account.

FAULKNER REALTY COMPANY**Lic. No. FM16530****Mt. Juliet, TN**

The Faulkner Realty Company was assessed a civil penalty of \$250.00 for an escrow account violation.

DONNA L. MCCULLOUGH-MITCHELL**Lic. No. PB285256**

Ms. McCullough-Mitchell was assessed a civil penalty of \$250.00 for failure to timely complete administrative measures.

RE/MAX 1st CHOICE**Lic. No. FM258077****White House, TN**

Re/Max 1st Choice was assessed a civil penalty of \$250.00 for an escrow account violation.

APRIL 2007

CHARLES "TAZ" A. CABLE**Lic. No. TS299525****Gatlinburg, TN**

Mr. Cable was assessed a civil penalty of \$250.00 for failure to complete administrative measures.

KENDRA COOK**Lic. No. BR263504****Smyrna, TN**

Ms. Cook was assessed a civil penalty of \$250.00 for failure to disclose personal interest.

JOHN M. GEISSBERGER**Lic. No. TS285243****Knoxville, TN**

Mr. Geissberger's license was revoked for failure to disclose a criminal conviction.

SANDRA "SANDY" C. JOHNSTON**Lic. No. PB207558****Johnson City, TN**

Ms. Johnston was assessed a civil penalty of \$250.00 for failure to disclose agency status.

S. WRIGHT & SONS ENTERPRISES, INC.**Lic. No. FM250185****Nashville, TN**

The firm of S. Wright & Sons Enterprises, Inc. was assessed a civil penalty of \$750.00 for failure to timely notify TREC of a business address change.

BEN F. WARD**Lic. No. PB247686****Memphis, TN**

Mr. Ward was assessed a civil penalty of \$250.00 for an advertising violation.

NORMA T. WYKLE**Lic. No. AF285048****Morristown, TN**

Ms. Wykle was assessed a civil penalty of \$250.00 for an advertising violation.

Commission Recognizes Barney Thompson (1940-2007)

"We have lost one of the profession's best with the passing of Barney Thompson", said Commissioner David Flitcroft as he addressed the Commission relating that Barney's mentoring of real estate professionals across the nation was a labor of love and he demonstrated a genuine desire to help anyone he met to be ethical and successful in their practice of real estate. Barney began his career with the Knoxville Area Association of REALTORS (KAAR) in 1979 after being the Executive Director of the Pigeon Forge, Tennessee Chamber of Commerce. Over the years Barney taught almost all of the now 5000 members of KAAR in the areas of agency, antitrust, fair housing, Code of Ethics, property disclosure and risk reduction. Having a true love

for the profession, Barney coupled his passion for travel with learning about real estate in cultures around the world. His travels took him to Russia, the Holy Lands, Central America, Mexico and Greece to learn the international aspects of real estate. Barney was the 2004 recipient of TREC's Tune Award for Excellence in Education.

The Commission voted unanimously to provide plaques for both the KAAR office and the Tennessee Association of REALTORS office in Nashville, to recognize Barney Thompson for his outstanding service to the real estate profession in Tennessee.

David Flitcroft...cont.

for Future Interest and the Testerman Scholarship. The Testerman Scholarship is awarded each year to an aspiring lawyer intending to work in Real Property matters. After graduating, he began practicing in Oak Ridge. Several years later, he became a partner in the firm of Joyce, Meredith, Flitcroft and Normand. The firm closes transactions throughout the states of Tennessee, Kentucky and Georgia.

Mr. Flitcroft and his wife Karen are actively involved in the Fellowship Church of Knoxville and they have five daughters and five grandchildren who provide ample travel opportunities since they live not only in Tennessee but in Utah, New Jersey and South Carolina. In his spare time, Flitcroft loves hiking, bicycling, gardening and generally enjoying the outdoors.

Mr. Flitcroft was welcomed by the other Commission members at his first meeting in April of this year.

Friend in Senate...cont.

Growing up in a very modest home, Steve is the 4th of 6 children. He used good business sense, hard work and prayer, to build a successful business from the ground up, Mortgage Federal in Morristown. There he was one of the very first to close a 95% LTV within 6 days. Success followed him into the legislature, where after serving only one term, the Senator was named Chairman of the Senate Commerce, Labor and Agriculture Committee. As Chairman, Steve led the debate on many issues that affect the industry, both directly and indirectly.

Senator Southerland sponsored SB 1205 (Public Chapter 78) to clarify

legislative intent of septic permits on new construction. In 2006 the General Assembly enacted legislation to make it a violation of the Consumer Protection Act to advertise or market a residence for sale as having more bedrooms than permitted by the residence's sewage disposal system permit. This new law is limited to new construction, as was the original intent. It also establishes a real estate licensee may rely upon information received from the owner of the residence as to the septic permit's number of bedrooms. The real estate licensee would have to receive actual knowledge from the owner in order for there to be a violation of the law. In other words, Southerland was instrumental in modifying this bill to its

original intent of applying to newly constructed properties only. It also modifies the law to permit the real estate agent to rely upon the information received from the property owners as to the allowed number of bedrooms. As of July 1, 2007, no more septic letters!

Tennessee licensees are well represented in the state legislature and Chairman Southerland is a prime example. He maintains an open door to his office in Nashville and an open mind to ideas that will benefit those of us who have made real estate our livelihood.

COMMISSIONERS Haynes and Stephenson Attend ARELLO Mid-Year Meeting

The Association of Real Estate Licensing Law Officials (ARELLO) held its mid-year meeting in Banff, Alberta Canada with Chairman Haynes and Vice Chairman Stephenson in attendance. ARELLO is comprised of official governmental and other organizations around the world, that issue real estate licenses and registrations, in addition to regulating real estate practice and enforcing real estate law.

Vice Chairman Stephenson reported the meeting in Canada, like the other ARELLO meetings he has attended, provided seminars where information was presented and a forum to meet with commissioners and regulators from other jurisdictions to discuss mutual problems and successes. Chairman Haynes indicated over the years he has learned about procedures other jurisdictions have implemented, which benefited the licensing and regulation processes, later implemented in Tennessee.

Both Commissioners Haynes and Stephenson felt that all of the Tennessee Real Estate Commissioners would benefit from the learning experiences associated with the Southern District Regional and Annual meetings of ARELLO. Following the discussion, the Commission voted unanimously to give all Commissioners the opportunity to attend any and all ARELLO meetings.

NOTES

from the Commission and TREC Staff



The Commission was recently advised, some firms are attempting to recruit at schools which teach real estate pre-license courses. The Commission would like to reinforce, TREC Rule 1260-5-.06(2) specifically relates, no broker or firm shall use or cause to be used any facility in which a real estate pre-license course is taught to discuss, induce or promote affiliation with a broker or firm.

Recently TREC has received a number of phone calls about the education hours associated with the Office Broker Management Course. That course is a broker pre-license course and cannot count towards the 120 hours of post-broker education.

TREC Official Manual Now Available for Purchase

TREC Manuals are available for purchase at LexisNexis. There is a link to the LexisNexis Bookstore on the TREC web site or it may be accessed directly at:

<http://bookstore.lexis.com/bookstore/product/7653.html>

By using this method the manuals will be edited and printed annually as opposed to every two to three years and the information needed by licensees will be more up to date.

COMMISSION VOTES TO PROCEED WITH RULES

At its May 2007 meeting the Commission voted to proceed with the rules which were presented at a rulemaking hearing on May 3, 2007. The substance of the rules appeared in the Winter 2006 edition of the News-Journal and the entire rulemaking hearing document may be viewed on TREC's web site at:

<http://state.tn.us/commerce/boards/trec/pdf/NoticeofRulemaking2007.pdf>

Helton Honored...cont.

Regional Council of the United Brotherhood of Carpenters and Joiners of America (UBCJA). He is a graduate of Lenoir City High School and completed a four year apprenticeship with the UBCJA.

In presenting the plaque, Chairman Charles Haynes stated "Robbie has provided fresh insight into decisions concerning licensure and discipline which were of great benefit in terms of protection of the citizens of Tennessee." Helton, thanked the Commission members and TREC staff for their assistance over the past years.

Requests From the Commission

With the onset of staggering license expiration dates, the Commission is asking all licensees to use information on the TREC web site to review their license status and Errors and Omissions coverage status to insure that licenses are renewed timely and insurance is in effect. This information can be found at:

<http://licsrch.state.tn.us/>

It is suggested you enter less rather than more information in the blanks available on that site. Your license number alone may be enough.

The Commission would also like for licensees to report education sessions that the licensee considers are not useful. The information may be directed to Kathy M. Riggs, Ph.D., TREC Director of Education at kathy.riggs@state.tn.us

"The Tennessee Department of Commerce and Insurance is committed to principles of equal opportunity, equal access, and affirmative action." Contact the EEO Coordinator or ADA Coordinator (615) 253-7685.



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www.state.tn.us/commerce/boards/trec

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Dee Mitchell

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Dennis Hodges

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Kelly McDermott

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Conell House

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